
Payment for a Loss

(continued)

Failure by you or your family members to comply with this condition, or failure of any of your primary underlying insurers due to insolvency or bankruptcy, shall not invalidate this part of your policy. In the event of any such failure, we shall only be liable in excess of the foregoing minimum amounts and to no greater extent with respect to coverages, amounts and defense costs than we would have been had this failure not occurred.

You must also give notice of losses and otherwise cooperate and comply with the terms and conditions of such primary underlying insurance.

Excess Liability Coverage

We cover damages a covered person is legally obligated to pay for personal injury or property damage, caused by an occurrence:

- in excess of damages covered by the underlying insurance; or
- from the first dollar of damage where no underlying insurance is required under this policy and no underlying insurance exists; or
- from the first dollar of damage where underlying insurance is required under this policy but no coverage is provided by the underlying insurance for a particular occurrence, unless stated otherwise or an exclusion applies.

Exclusions to this coverage are described in **Exclusions**.

"Follow form" means:

We cover damages to the extent they are both covered under the Required Primary Underlying Insurance and, not excluded under this part of your Masterpiece Policy. Also, the amount of coverage, defense coverages, cancellation and "other insurance" provisions of this policy supersede and replace the similar provisions contained in such other policies. When this part of your policy is called upon to pay losses in excess of required primary underlying policies exhausted by payment of claims, we do not provide broader coverage than provided by such policies. When no primary underlying coverage exists, the extent of coverage provided on a follow form basis will be determined as if the required primary underlying insurance had been purchased from us.

A "covered person" means:

- you or a family member;
- any other person or organization with respect to liability because of acts or omissions of you or a family member; or
- any combination of the above.

"Damages" means the sum that is paid or is payable to satisfy a claim settled by us or resolved by judicial procedure or by a compromise we agree to in writing.

Excess Liability Coverage

Excess Liability Coverage

(continued)

"Personal injury" means the following injuries, and resulting death:

- bodily injury;
- shock, mental anguish, or mental injury;
- false arrest, false imprisonment, or wrongful detention;
- wrongful entry or eviction;
- malicious prosecution or humiliation; and
- libel, slander, defamation of character, or invasion of privacy.

"Bodily injury" means physical bodily harm, including sickness or disease that results from it, and required care, loss of services and resulting death.

"Property damage" means physical injury to or destruction of tangible property and the resulting loss of its use. Tangible property includes the cost of recreating or replacing stocks, bonds, deeds, mortgages, bank deposits, and similar instruments, but does not include the value represented by such instruments.

"Registered vehicle" means any motorized land vehicle not described in "unregistered vehicle".

"Unregistered vehicle" means:

- any motorized land vehicle not designed for or required to be registered for use on public roads;
- any motorized land vehicle which is in dead storage at your residence;
- any motorized land vehicle used solely on and to service a residence premises shown in the Coverage Summary; or
- golf carts.

Excess uninsured/supplementary uninsured motorists protection

This coverage is in effect only if excess uninsured/supplementary uninsured motorists protection is shown in the Coverage Summary.

We cover damages for bodily injury a covered person is legally entitled to receive from the owner or operator of an uninsured or underinsured motorized land vehicle. We cover these damages in excess of the underlying insurance or the Required Primary Underlying Insurance, whichever is greater, if they are caused by an occurrence during the policy period, unless otherwise stated.

Amount of coverage. The maximum amount of excess uninsured/supplementary uninsured motorists protection available for any one occurrence is the excess uninsured/supplementary uninsured motorists protection amount shown in the Coverage Summary. We will not pay more than this amount in any one occurrence for covered damages regardless of how many claims, vehicles or people are involved in the occurrence.

This coverage will follow form.

Excess Liability Coverage

(continued)

Uninsured/supplementary uninsured motorists protection arbitration

If we and a covered person disagree whether that person is legally entitled to recover damages from the owner or operator of an uninsured or underinsured motor vehicle, or do not agree as to the amount of damages, either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that the arbitration be submitted to the American Arbitration Association or that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will take place in the county and state in which the covered person lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding unless the recovery amount for bodily injury exceeds the minimum limit specified by the financial responsibility law of the state in which your vehicle is principally garaged. If the amount exceeds that limit, either party may demand the right to a trial on that portion of the award in excess of the minimum limits. This demand must be made within 60 days of the arbitrators' decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

Defense coverages

We will defend a covered person against any suit seeking covered damages for personal injury or property damage that is either:

- not covered by any underlying insurance; or
- covered by an underlying policy as each Defense Coverage has been exhausted by payment of claims.

We provide this defense at our expense, with counsel of our choice, even if the suit is groundless, false, or fraudulent. We may investigate, negotiate, and settle any such claim or suit at our discretion.

As part of our investigation, defense, negotiation, or settlement, we will pay:

- all premiums on appeal bonds required in any suit we defend;
- all premiums on bonds to release attachments for any amount up to the amount of coverage (but we are not obligated to apply for or furnish any bond);
- all expenses incurred by us;
- all costs taxed against a covered person;
- all interest accruing after a judgement is entered in a suit we defend on only that part of the judgement we are responsible for paying. We will not pay interest accruing after we have paid the judgement up to the amount of coverage;
- all prejudgement interest awarded against a covered person on that part of the judgement we pay or offer to pay. We will not pay any prejudgement interest based on that period of time after we make an offer to pay the amount of coverage;
- all earnings lost by each covered person at our request, up to \$250 a day, to a total of \$10,000;
- other reasonable expenses incurred by a covered person at our request; and
- the cost of bail bonds required of a covered person because of a covered loss.



Excess Liability Coverage

Excess Liability Coverage

(continued)

In jurisdictions where we may be prevented by local law from carrying out these Defense Coverages, we will pay only those defense expenses that we agree in writing to pay and that are incurred by you.

Exclusions

These exclusions apply to this part of your Masterpiece Policy unless stated otherwise.

Owned motorcycles and owned motor homes. We do not cover any damages arising out of the ownership, maintenance, use, loading or unloading of any owned motorcycle or owned motor home unless shown in the Coverage Summary. The coverage for owned motorcycles and owned motor homes is on a follow form basis.

Aircraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading, or towing of any aircraft, except aircraft chartered with crew by you. We do not cover any property damages to aircraft rented to, owned by, or in the care, custody or control of a covered person.

Large watercraft. We do not cover any damages arising out of the ownership, maintenance, use, loading, unloading or towing of any watercraft 26 feet or longer or with more than 50 horsepower owned by a covered person, or furnished or rented to a covered person for longer than 30 days. But we do cover watercraft being stored, unless another exclusion applies. Coverage is provided on a following form basis if the watercraft is listed in the Coverage Summary.

Coverage is also provided on a following form basis when notice is given to us within 30 days after you acquire a watercraft. If we agree to insure it, you must pay the additional premium from the date acquired.

Motorized land vehicle, watercraft and aircraft racing. We do not cover any damages arising out of the participation in or practice for competitive racing of any motorized land vehicle, watercraft or aircraft. This exclusion does not apply to sailboat racing even if the sailboat is equipped with an auxiliary motor.

Motorized land vehicle and watercraft-related jobs. We do not cover any person other than you while employed or otherwise engaged in the business of selling, repairing, servicing, storing, parking, docking, mooring, testing, or delivering motorized land vehicles or watercraft.

Motorized land vehicle and watercraft loading. We do not cover any person or organization, other than you or your employees, with respect to the loading or unloading of motorized land vehicles or watercraft.

Exclusions

(continued)

Workers' compensation or disability. We do not cover any damages a covered person is legally obligated to provide under any workers' compensation, disability benefits, unemployment compensation or similar laws. But we do provide coverage in excess over any other insurance for damages a covered person is legally obligated to pay for bodily injury to a domestic employee of a residence shown in the Coverage Summary which are not compensable under workers' compensation, unless another exclusion applies.

Director's liability. We do not cover any damages for any covered person's actions or failure to act as an officer or member of a board of directors of any corporation or organization. This exclusion does not apply to a not-for-profit corporation or organization, or to a condominium or cooperative association.

Damage to covered person's property. We do not cover any person for property damage to property owned by any covered person.

Damage to property in your care. We do not cover any person for property damage to property rented to, occupied by, used by, or in the care of any covered person, to the extent that the covered person is required by contract to provide insurance. But we do cover such damages for loss caused by fire, smoke, or explosion unless another exclusion applies.

Discrimination. We do not cover any damages arising out of discrimination due to age, race, color, sex, creed, national origin, sexual harassment, or any other discrimination.

Intentional acts. We do not cover any damages arising out of an act intended by any covered person to cause personal injury or property damage. An intentional act is one whose consequences could have been foreseen by a reasonable person. But we do cover such damages if the act was intended to protect people or property unless another exclusion applies.

Nonpermissive use. We do not cover any person who uses a motorized land vehicle or watercraft without permission from you or a family member.

Business pursuits. We do not cover any damages arising out of a covered person's business pursuits, investment or other for-profit activities, for the account of a covered person or others, or business property except on a follow form basis.

But we do cover damages arising out of volunteer work for an organized charitable, religious or community group, an incidental business away from home, incidental business at home, incidental business property, incidental farming, or residence premises conditional business liability unless another exclusion applies. We also cover damages arising out of your ownership, maintenance, or use of a private passenger motor vehicle in business activities other than selling, repairing, servicing, storing, parking, testing, or delivering motorized land vehicles.

**Excess Liability
Coverage**



Exclusions

(continued)

"Incidental business away from home" is a self-employed sales activity, or a self-employed business activity normally undertaken by persons under the age of 18 such as newspaper delivery, babysitting, caddying, and lawn care. Either of these activities must:

- not yield gross revenues in excess of \$5,000 in any year;
- have no employees subject to worker's compensation or other similar disability laws;
- conform to local, state, and federal laws.

"Incidental business at home" is a business activity, other than farming, conducted on your residence premises which must:

- not yield gross revenues in excess of \$5,000 in any year, except for the business activity of managing one's own personal investments;
- have no employees subject to workers' compensation or other similar disability laws;
- conform to local, state, and federal laws.

"Incidental business property" is limited to the rental or holding for rental, to be used as a residence, of a condominium or cooperative unit owned by you, an apartment unit rented to you, a one or two family dwelling owned by you, or a three or four family dwelling owned and occupied by you. We provide this coverage only for premises listed in the Coverage Summary unless the rental or holding for rental is for:

- a residence of yours that is occasionally rented and that is used exclusively as a residence; or
- part of a residence of yours by one or two roomers or boarders; or
- part of a residence of yours as an office, school, studio, or private garage.

"Incidental farming" is a farming activity which meets all of the following requirements:

- is incidental to your use of the premises as your residence;
- does not involve employment of others for more than 1,000 hours of farm work during the policy period;
- does not produce more than \$2,500 in gross annual revenue from horticultural operations;
- and with respect to the raising or care of animals:
 - does not produce more than \$25,000 in gross annual revenues;
 - does not involve more than 10 sales transactions during the policy period;
 - does not involve the sale of more than 25 animals during the policy period.

"Residence premises conditional business liability" is limited to business or professional activities when legally conducted by you or a family member at your residence shown in the Coverage Summary. We provide coverage only for personal injury or property damage arising out of the physical condition of that residence if:

- you do not have any employees involved in your business or professional activities who are subject to workers' compensation or other similar disability laws; or, if you are a doctor or dentist, you do not have more than two employees subject to such laws;
- you do not earn annual gross revenues in excess of \$5,000, if you are a home day care provider;
- there is no other valid and collectible insurance.

We do not cover damages or consequences resulting from business or professional care or services performed or not performed.

Financial guarantees. We do not cover any damages for any covered person's financial guarantee of the financial performance of any covered person, other individual or organization.

Exclusions

(continued)

Professional services. We do not cover any damages for any covered person's performing or failure to perform professional services, or for professional services for which any covered person is legally responsible or licensed.

Acts of war. We do not cover any damages caused directly or indirectly by war, undeclared war, civil war, insurrection, rebellion, revolution, warlike acts by military forces or personnel, the destruction or seizure of property for a military purpose, or the consequences of any of these actions.

Contractual liability. We do not cover any assessments charged against a covered person as a member of a condominium or cooperative association. We also do not cover any damages arising from contracts or agreements made in connection with any covered person's business. Nor do we cover any liability for unwritten contracts, or contracts in which the liability of others is assumed after a covered loss.

Covered person's or dependent's personal injury. We do not cover any damages for personal injury for any covered person or their dependents where the ultimate beneficiary is the offending party or defendant. We also do not cover any damages for personal injury, other than bodily injury, for which you can be held legally liable to a family member or your spouse or for which a family member or your spouse can be held legally liable to you.

Liability for dependent care. We do not cover any damages for personal injury for which a covered person's only legal liability is by virtue of a contract or other responsibility for a dependent's care.

Illness. We do not cover personal injury or property damage resulting from any illness, sickness or disease that can be transmitted intentionally or unintentionally by a covered person to anyone, or any consequence resulting from that illness, sickness or disease.

Parental liability. We do not cover any damages arising from parental liability for the acts of a minor using a motorized land vehicle, watercraft 26 feet or longer or with more than 50 horsepower, or aircraft. But we do cover parental liability for the acts of a minor using a motorized land vehicle or watercraft on a follow form basis for the type of motorized land vehicle or watercraft involved, unless another exclusion applies. This exclusion does not apply to any other coverage provided under an exclusion in this part of your policy.

Entrustment. We do not cover any damages arising from the entrustment by any covered person of a motorized land vehicle, watercraft 26 feet or longer or with more than 50 horsepower, or aircraft to any person. But we do cover entrustment by any covered person of a motorized land vehicle or watercraft on a follow form basis for the type of motorized land vehicle or watercraft involved, unless another exclusion applies. This exclusion does not apply to any other coverage provided under an exclusion in this part of your policy.

Nuclear or radiation hazard. We do not cover any damages caused directly or indirectly by nuclear reaction, radiation, or radioactive contamination, regardless of how it was caused.



This part of your Masterpiece Policy explains the conditions that apply to your policy.

General Conditions

These conditions apply to your policy in general, and to each coverage in it.

Policy period

The effective dates of your policy are shown in the Coverage Summary. Those dates begin at 12:01 a.m. standard time at the mailing address shown. Each renewal period shall be for a similar term.

All coverages on this policy apply only to occurrences that take place while this policy is in effect.

Renewals

We or our agent may offer to continue this policy for renewal periods, at the premiums and under the policy provisions in effect at the date of renewal. We can do this by mailing you a bill for the premium to the address shown in the Coverage Summary, along with any changes in the policy provisions or amounts of coverage.

You may accept our offer by paying the required premium on or before the starting date of each renewal period.

Transfer of rights

If we make a payment under this policy, we will assume any recovery rights a covered person has in connection with that loss, to the extent we have paid for the loss.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. A covered person will do everything necessary to secure such rights, and do nothing after a loss to prejudice such rights. However, you may waive any rights of recovery from another person or organization for a covered loss in writing before the loss occurs.

Concealment or fraud

We do not provide coverage if you or any covered person has intentionally concealed or misrepresented any material fact relating to this policy before or after a loss. This condition does not apply to Vehicle Liability Coverage.

Application of coverage

Coverage applies separately to each covered person. However, this provision does not increase the amount of coverage for any one occurrence.

Duplicate coverages

If a loss is covered under more than one part of this policy, we will pay you under the part giving you the most coverage, but not under more than one part. However, when both Valuable Articles Blanket coverage and Contents coverage are shown in the Coverage Summary, and a loss is covered under both parts, your amount of coverage will equal the combined total of both Contents and Valuable Articles Blanket limits subject to the Contents Special Limits and policy provisions. In no event will we make duplicate payments.

Policy Terms

General Conditions

(continued)

Assignment

You cannot transfer your interest in this policy to anyone else unless we agree in writing to the transfer.

Policy changes

This policy can be changed only by a written amendment we issue.

Bankruptcy or insolvency

We will meet all our obligations under this policy regardless of whether you, your estate, or anyone else or their estate becomes bankrupt or insolvent.

In case of death

In the event of your death, we cover your legal representative or any person having proper temporary custody of your property until a legal representative is appointed and qualified, but only with respect to your premises and other property covered under the policy at the time of death. We will also cover any member of your household who is a covered person at the time of death.

Liberalization

We may extend or broaden the insurance provided by this policy. If we do this during the policy period or within 60 days before it begins, without increasing the premium, then the extended or broader insurance will apply to your policy.

Conforming to state law

If any provision of this policy conflicts with the laws of the state you live in, this policy is amended to conform to those laws.

Liability Conditions

These conditions apply to all liability coverages in this policy.

Other insurance

Vehicles and UM/Supplementary UM: When other liability insurance applies to covered damages, we will pay our share. Our share is the proportion that our amount of coverage bears to the total of all applicable amounts of coverage. However, for non-owned motorized land vehicles, this insurance is excess over any other insurance, except that written specifically to cover excess over the amount of coverage in this policy.

Personal and Excess: This insurance is excess over any other insurance except that written specifically to cover excess over the amount of coverage that applies in this policy.

Liability Conditions

(continued)

Additional liability protection. If you have Masterpiece Personal Liability Coverage, you are eligible to apply for excess liability protection. The additional protection covers your house, vehicle(s) and other personal exposures under our Masterpiece Excess Liability Coverage. Acceptance is subject to our approval.

If your Masterpiece Personal Liability Coverage is cancelled or nonrenewed, your eligibility for Masterpiece Excess Liability Coverage will cease as of the cancellation or nonrenewal date. If Masterpiece Excess Liability Coverage has been provided, it will be cancelled or nonrenewed at the earliest date allowed by law and an appropriate notice of cancellation or nonrenewal will be issued.

If you do not have Masterpiece Personal Liability Coverage, your eligibility for Masterpiece Excess Liability Coverage will cease as of the earliest nonrenewal date allowed by law, and an appropriate notice of nonrenewal will be issued.

Your duties after a loss

In case of an accident or occurrence, the covered person shall perform the following duties that apply:

Notification. You must notify us or your agent as soon as possible.

Assistance. You must provide us with all available information. This includes any suit papers or other documents which help us in the event that we defend you.

Cooperation. You must cooperate with us fully in any legal defense. This may include any association by us with the covered person in defense of a claim reasonably likely to involve us.

Appeals

If a covered person, or any primary insurer, does not appeal a judgement for covered damages, we may choose to do so. We will then become responsible for all expenses, taxable costs, and interest arising out of the appeal. However, the amount of coverage for damages will not be increased.

Property Conditions

These conditions apply to all coverage for damage to property.

Other insurance

When other property insurance applies to a covered loss, we will pay only the portion of the loss that our amount of coverage bears to the total amount of insurance covering the loss.

Condominiums and Cooperatives: If there is other insurance in the name of the condominium or cooperative association covering the same property covered by us, our coverage shall be in excess of the other insurance.

Policy Terms

Property Conditions

(continued)

Your duties after a loss

If you have a loss this policy may cover, you must perform these duties:

Notification. You must notify us or your agent of your loss as soon as possible.

Protect property. You must protect property from further damage. Make any repairs that are necessary to protect the property. Keep an accurate record of your expenses. We will pay the reasonable costs of protecting the property from further damage. This will not increase the amount of coverage that applies.

Prepare an inventory. You must prepare an inventory of damaged personal property, describing the property in full. It should show in detail the amount insured under this policy and actual amount of the loss. Attach bills, receipts, and other documents to support your inventory.

Display property. You must show us the damaged property when we ask.

Examination under oath. We have the right to examine under oath, as often as we may reasonably require, you, family members and other members of your household. We may also ask you to give us a signed description of the circumstances surrounding a loss and your interest in it, and to produce all records and documents we request and permit us to make copies.

Proof of loss. You must submit to us, within 60 days after we request, your signed, sworn proof of loss which documents, to the best of your knowledge and belief:

- the time and cause of loss;
- interest of the insured and all others in the property involved and all liens on the property;
- other insurance which may cover the loss;
- changes in title or occupancy of the property during the term of the policy;
- specifications of any damaged buildings and estimates for their repair;
- receipts for additional living expenses incurred and records supporting any fair rental value loss; and
- evidence or affidavit supporting a claim under the Credit Cards, Bank Cards, Fund Transfer Cards, Forgery and Counterfeit Money Coverage, stating the amount and cause of loss.

Insurable interest

We will not pay for any loss to property in which you or a family member does not have an insurable interest at the time of the loss.

If more than one person has an insurable interest in covered property, we will not pay for an amount greater than your interest, up to the amount of coverage that applies.

Abandoning property

You cannot abandon any property to us unless we agree to accept it, or to a third party unless we agree.

Carrier and bailees

We will not make any payments under this policy to the benefit of any carrier or other bailee of damaged property.

Property Conditions

(continued)

Fire losses

If there is a fire loss to your home, we are required by New York law to first pay a portion of the claim to tax districts that have issued a certificate of lien. If your tax district is eligible to receive a portion of the payment for your loss, any payment we make to you for fire losses will be reduced by the amount paid to the tax district.

Special Conditions

In the event of conflict with any other conditions of your policy, these conditions supersede.

Legal action against us

You agree not to bring legal action against us unless you have first complied with all conditions of this policy. Except for vehicle coverage, you also agree to bring any action against us within two years after a loss occurs.

If you have a loss under liability coverage, you agree not to bring any action against us until the obligation has been determined by final judgement or a written agreement by us.

Appraisals

If you and we fail to agree on the amount of loss, either one can demand that the amount of loss be set by appraisal. If either makes a written demand for appraisal, each shall select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers shall then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the residence premises is located to select an umpire. The appraisers shall then set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon shall be the amount of the loss. If the appraisers fail to agree within a reasonable time, they shall submit their differences to the umpire. Written agreement signed by any two of these three shall set the amount of the loss. Each appraiser shall be paid by the party selecting the appraiser. Other expenses of the appraisal and the compensation of the umpire shall be paid equally by you and us.

Mortgagee or loss payee

The word "mortgagee" includes a trustee. If a mortgagee or loss payee is named in this policy, loss or damage, if any, on buildings under this policy, shall be payable to the aforesaid as mortgagee or loss payee as interest may appear, and this insurance, as to the interest of the mortgagee or loss payee only therein, shall not be invalidated by any act or neglect of the mortgagor or owner of the within described property, nor by any foreclosure or other proceedings or notice of sale relating to the property, nor by any change in the title or ownership of the property, nor by the occupation of the premises for purposes more hazardous than are permitted by this policy, provided, that in case the mortgagor or owner shall neglect to pay any premium due under this policy, the mortgagee or loss payee shall, on demand, pay the same.

**Policy
Terms**

Special Conditions

(continued)

Provided, also that the mortgagee or loss payee shall notify this company of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of said mortgagee or loss payee and, unless permitted by this policy, it shall be noted thereon and the mortgagee or loss payee shall, on demand, pay the premium for such increased hazard for the term of the use thereof; otherwise this policy shall be null and void.

This company reserves the right to cancel this policy at any time as provided by its terms, but in case this policy shall continue in force for the benefit only of the mortgagee or loss payee for 10 days after notice to the mortgagee or loss payee of such cancellation and shall then cease, and this company shall have the right, on like notice, to cancel this agreement.

Whenever this company shall pay the mortgagee or loss payee any sum for loss or damage under this policy and shall claim that, as to the mortgagor or owner, nonliability therefore existed, this company shall, to the extent of such payment, be thereupon legally subrogated to all the rights of the party to whom such payment shall be made, under all securities held as collateral to the mortgage debt, or may, at its option, pay to the mortgagee or loss payee the whole principal due or to grow due on the mortgage with interest, and shall thereupon receive a full assignment and transfer of the mortgage and of all such other securities; but no subrogation shall impair the right of the mortgagee or loss payee to recover the full amount of said mortgagee's or loss payee's claim.

Loss or damage, if any, under this policy shall be payable to the aforesaid mortgagee or loss payee as interest may appear under all present or future mortgages, in order of precedence of such mortgages, in accordance with the terms of this standard mortgage clause, it being understood that no notice of increase or decrease in any mortgagee's interest is required.

Nonrenewal

If we decline to renew all or part of this policy, we will mail such nonrenewal to your last mailing address shown in the policy at least 45 days, but not more than 60 days, before the policy ends and we will obtain a certificate of mailing. A copy of the notice will also be sent to the last known mortgagee or lienholder named in this policy at the last mailing address shown in the policy. The reasons for nonrenewal will accompany the notice.

During the first three years after the original effective date of the policy (or for vehicle coverage, the first year) we may decline to renew this policy only on grounds for which we could cancel it. If we voluntarily renew this policy at the end of this period, the three year (or one year) period will begin again on the effective date of the renewal.

Vehicle coverage only:

If this policy was issued with an effective date after January 1, 1986, and we decide not to renew or continue this policy, we will mail notice to your last mailing address shown in the policy. If the policy period is other than one year, we have the right not to renew or continue if only at each anniversary of its original effective date.

Special Conditions

(continued)

Conditional renewal

If we have the right to cancel or refuse to renew this policy, we may instead of cancelling or nonrenewing, condition continuation by a change of limits or elimination of any coverage which is not required by law. If we condition the renewal, we will mail such notice to your last mailing address shown in the policy at least 45 days but not more than 60 days before the policy ends.

Our right not to renew applies to each coverage or limit in this policy.

Your cancellation

You may cancel this policy or any part of it at any time by returning it to us or notifying us in writing of the future date that the cancellation is to take effect.

Our cancellation

We may cancel this policy or any part of it, subject to the following conditions. Our right to cancel applies to each coverage or limit in this policy.

Within 60 days. When this policy or any part of it has been in effect for less than 60 days, we may cancel with 30 days notice for any reason.

Nonpayment of premium. We may cancel this policy or any part of it with 15 days notice if you fail to pay the premium by the due date, regardless of whether the premium is payable to us, to our agent, or under any finance or credit plan.

Conviction of a crime. We may cancel any part of this policy, except vehicle coverage, with 30 days notice if you were convicted of a crime increasing the hazard we assumed.

Misrepresentation. We may cancel this policy or any part of it with 30 days notice if the coverage was obtained through material misrepresentation, fraudulent statements, or omissions, or concealment of a fact that is relevant to a claim or to the acceptance of the risk or to the hazard we assumed.

Property changes. We may cancel this policy or any part of it with 30 days notice if physical changes occur in the property after the policy was issued or after the last renewal date, making the property uninsurable.

Violations. We may cancel this policy or any part of it with 30 days notice if the superintendent of insurance determines that continuing the policy would violate Chapter 28 of the Laws of New York.

Vehicle coverage only:

Driver's license suspension. We may cancel any vehicle coverage in this policy with 30 days notice if your driver's license or that of any other driver who lives with you, and customarily uses your car, has been suspended or revoked during the policy period. This does not apply to a suspension issued under Section 510(b)(1) of the vehicle and traffic law or one or more administrative suspensions from the same incident which terminate prior to the effective date of the cancellation.

**Policy
Terms**

Special Conditions

(continued)

Procedure

To cancel this policy or any part of it, we must notify you in writing. This notice will be mailed to you at the last mailing address shown in the policy and we will obtain a certificate of mailing. This notice will include the date the cancellation is to take effect and the reasons for cancellation.

Refund

In the event of cancellation by you or by us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards. The unearned premium will be computed pro rata for the unexpired term for each part of the policy.



In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

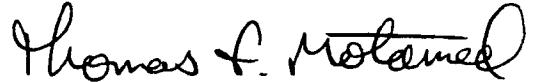
CHUBB INDEMNITY INSURANCE COMPANY
CHUBB INSURANCE COMPANY OF NEW JERSEY
CHUBB NATIONAL INSURANCE COMPANY
FEDERAL INSURANCE COMPANY
GREAT NORTHERN INSURANCE COMPANY
VIGILANT INSURANCE COMPANY


Frank P. O'Hare
President


Henry A. Sulik

Secretary

PACIFIC INDEMNITY COMPANY


Thomas F. Mohamed

President


Henry A. Sulik

Secretary

NORTHWESTERN PACIFIC INDEMNITY COMPANY


Elmer H. Scher
President


Henry A. Sulik

Secretary



If you need to report a claim and have been unable to contact your producer or local Chubb Office you can call this telephone number for further assistance.

1-800 CLAIMS 0

Questions or concerns about your policy should be directed to your producer. If you need further assistance, contact us at the address listed below.

Policy Information
CHUBB GROUP of Insurance Companies
700 Rte. 202-206 North
P.O. Box 6980
Bridgewater, New Jersey 08807-0980

**Coverage Update****Name and address of Insured**

KAYVAN AND YASSMINE HAKIM
410 EAST 57TH STREET #10A
NEW YORK, NY 10022-3059

Page 1**Effective Date 10/21/98****Policy no. 11331603-01**

Issued by Great Northern Insurance Company
a stock insurance company
incorporated in Minnesota

Policy period 12/12/97 to 12/12/98

If you have any questions, please contact
MINKLER INSURANCE AGENCY, INC.
P. O. BOX 57
STOCKBRIDGE, MA 01262
413-298-3741

As requested, we have revised your Chubb Masterpiece Policy. The changes are shown below. To keep your records up to date, please attach this update to your existing policy.

Your premium will not change for this revision.

Liability

This section shows the changes in your Liability coverage. All other provisions of this coverage remain in effect.

The amount of liability coverage is \$2,000,000.

			Old Coverage	New Coverage
Deleted	Liability for	1995 FORD WIND STAR	EXCESS LIABILITY ONLY	NONE
Added	Liability for	1997 FORD EXPEDITION	NONE	EXCESS LIABILITY ONLY

As the duly authorized representative of the company my signature validates this policy.

Authorized representative

**Coverage Update****Name and address of Insured**

KAYVAN AND YASSMINE HAKIM
28 E 95TH ST
NEW YORK, NY 10128-0702

Page 1**Effective Date 8/11/01****Policy no. 11331603-01**

**Issued by Federal Insurance Company
a stock insurance company
incorporated in Indiana**

Policy period 12/12/00 to 12/12/01

**If you have any questions, please contact
MINKLER INSURANCE AGENCY, INC.
P. O. BOX 57
STOCKBRIDGE, MA 01262
413-298-3741**

Your policy has been cancelled pro rata for non payment of premium.

You will receive a separate statement showing the premium adjustment.

As the duly authorized representative of the company my signature validates this policy.

Authorized representative



Coverage Update



Name and address of Insured

KAYVAN AND YASSMINE HAKIM
28 E 95TH ST
NEW YORK, NY 10128-0702

Page 1

Effective Date 8/11/01
Policy no. 11331603-01
Issued by Federal Insurance Company
a stock insurance company
incorporated in Indiana
Policy period 12/12/00 to 12/12/01

If you have any questions, please contact
MINKLER INSURANCE AGENCY, INC.
P. O. BOX 57
STOCKBRIDGE, MA 01262
413-298-3741

Your policy has been reinstated.

Your premium will be increased by \$1,747.00 for this revision. You will receive a separate statement showing the premium adjustment.

As the duly authorized representative of the company my signature validates this policy.

A handwritten signature in black ink that reads "Robert Hamburger".

Authorized representative